Developing New Revenue Streams For Transit

Rail-Volution
October 23, 2018
DRPT focuses on moving people and goods:
- Rail
- Public transportation
- Commuter services

DRPT provides support for projects and programs:
- Allocating over $730 million each year towards transit and rail
- Assessing feasibility and environmental impacts of new and expanding services
- Conducting statewide rail and public transportation studies
- Planning and programming new services and capital improvement projects
- Providing leadership, advocacy, technical assistance, and funding
### Rail and Public Transportation Stakeholders

<table>
<thead>
<tr>
<th>Stakeholder Type</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>WMATA</td>
<td></td>
</tr>
<tr>
<td>40 Transit Systems</td>
<td></td>
</tr>
<tr>
<td>60 Human Service Operators</td>
<td></td>
</tr>
<tr>
<td>1 Commuter Rail Operator (VRE)</td>
<td></td>
</tr>
<tr>
<td>18 Transportation Demand Management Agencies</td>
<td></td>
</tr>
<tr>
<td>15 Metropolitan Planning Organizations</td>
<td></td>
</tr>
<tr>
<td>9 Shortline Railroads</td>
<td></td>
</tr>
<tr>
<td>2 Class I Freight Railroads (CSX, NS)</td>
<td></td>
</tr>
<tr>
<td>1 Intercity Passenger Rail Operator (Amtrak)</td>
<td></td>
</tr>
<tr>
<td>1 DRPT-Supported Intercity Bus Operator</td>
<td></td>
</tr>
</tbody>
</table>
Paradigm shift of funding and delivery of critical transportation projects

- 2013 (HB 2313): General Assembly raises sales tax on wholesale gasoline, dedicates to transportation
- 2014: (HB 2): General Assembly directs Administration to prioritize critical transportation projects (SMART SCALE)
- 2015 (HB 1887): General Assembly dedicates additional funding to public transit

- 55% dedicated to SMART SCALE for additional capacity projects; 45% to highway state of good repair
  - $1.8b available in Round 1, $1b available in Round 2, $1b available in Round 3. Rounds are biennial.
  - Transportation funding – no longer just highway but mode neutral.
  - Best projects are selected then fully-funded.
Round 1
• 7 public transportation projects funded at $31 million.

Round 2
• 17 public transportation projects funded at $168 million.

Round 3
• 16 public transportation and rail project applications for $231 million
• Awards pending
HOV to HOT Conversions
Creating Transit Revenues
I-66 Inside the Beltway
- $10M + annually for transit, TDM, bicycle, pedestrian, and roadway options to improve person throughput

I-66 Outside the Beltway
- $800M over the next 50 years to support enhanced transit service

I-395 HOT Lanes Extension
- $15M annual transit investment to fund new and improved travel choices in corridor, escalated at 3% over 66 years

HOV to HOT Projects Generating Toll Revenues for Transit
Allocation of toll revenues to fund new and improved travel choices that include transit, TDM, bicycle, pedestrian and roadway options
  • Tolling began December, 2017

Northern Virginia Transportation Commission manages program and recommends projects for CTB approval
  • 1st round: $9.8 million for initial Multimodal Program of 10 projects
  • 2nd round: $12 million for Multimodal Program of 15 projects
I-66 Inside The Beltway: Benefits

Use toll revenues to fund additional and improved travel choices that benefit I-66 users

Increase the person-carrying capacity of the corridor by 34,000 individuals by 2040

Dynamic tolling allows traffic to move at free-flow speeds during rush hour
Benefits:

- Moves an additional 2,000 people through corridor during rush hour
- Saves approximately 120,000 hours of travel delay annually
- Provides two new bus routes and enhances service on three existing bus routes
- Improves emergency and incident response capabilities to keep I-66 moving
- Solves first and last mile issues by improving access to park and ride lots and transit and also increases parking options
Concession agreement with Express Mobility Partners includes $800M over the next 50 years to support enhanced transit service in corridor.

Additional $500M concession payment made in 2018 will provide $178M for transit and park-and-ride projects in the corridor.

Funding will support new and enhanced point-to-point, peak period commuter bus services (both capital & operating expenses).

New transit services:
- Utilize new express lanes to ensure reliable trip times
- Flexibility to optimize services over time based on performance measures
- Operated by local transit agencies
Move More People

- 2,000-4,000 more people per hour (depending on location)

Reduce Congestion

- Will eliminate 10.5 miles of congestion in each direction during peak hours
- Hours of daily congestion will be reduced by four to eight hours by 2040
• Transurban committed to annual transit payment beginning in 2019
  • $15 million initially with annual escalation
• DRPT led Transit/TDM study in coordination with localities, transit providers, and regional entities
• Projects will be prioritized based on person-throughput benefits
I-95/395 Express Lanes Extensions: Benefits

Move More People
- 35 - 50% increase in traffic volumes in HOT lanes; relieves General Purpose lanes

Reduce Congestion
- 15% reduction in travel times in General Purpose lanes
- Increasing capacity on I-395 reduces diversion of traffic to arterial roadways

Expand Travel Choices
- Promote HOV throughout the day (currently no incentive to HOV during off-peak)

Increase Reliability
- Reduce congestion in HOT lanes

Improve Safety
- Increased capacity will reduce the potential for congestion-related crashes
Dedicated WMATA Funding  
- 53.5% existing funding dedicated to operating and capital
- $154 million in additional annual dedicated funding to meet state-of-good repair backlog
- Significant accountability for governance, operating subsidies, strategic planning, and performance

Statewide Transit Funding  
- 12.5% existing funding dedicated to capital, 31% to operating
- Significant accountability reforms through prioritization of capital projects, performance-based allocation of operating, strategic planning
- Encourage better long-range needs projections, better asset management, more efficient operations
- No new funding until reforms fully implemented
Leveraging new and diverse revenue streams like tolls and concessions

Changing the Paradigm through a data-driven process that prioritizes the best projects that move the most people

Accountability and Transparency is essential as a condition for more public funding
Developing New Revenue Streams For Transit

Rail-Volution
October 23, 2018